

**GOVERNMENT OF INDIA
COAL
LOK SABHA**

UNSTARRED QUESTION NO:2903
ANSWERED ON:27.08.2013
COAL BED METHANE
Deo Shri Kalikesh Narayan Singh

Will the Minister of COAL be pleased to state:

- (a) whether the Government has an estimate of the quantity of Coal-Bed Methane (CBM) gas reserves in coal mines that are currently not utilised for production of gas;
- (b) if so, the details thereof;
- (c) whether the Government plans to allow CIL and other States owned and private companies to produce gas from their coal blocks;
- (d) if so, the details thereof;
- (e) the methodology used for pricing of such gas and the revenue sharing mechanism with the Government; and
- (f) the impact that the production of CBM gas from these coal blocks will have on the total natural gas production in the country?

Answer

MINISTER OF COAL IN THE MINISTRY OF COAL (SHRI PRATIK PRAKASHBABU PATIL)

(a) & (b): No, Sir.

(c) & (d): Coal India Ltd (CIL)/ Central Mine Planning & Design Institute (CMPDI) is pursuing development of Coal Mine Methane (CMM) from its mining areas as it would be beneficial on mine safety as well as environment. Ministry of Coal has made CMPDI the Nodal Agency for development of CMM in India. CIL/CMPDI has successfully implemented a CMM demonstration project at Moonidih mine of Bharat Coking Coal Ltd. (BCCL), funded by GoI/UNDP/GEF. The successful implementation of the project has proved the efficacy of the technology of CMM extraction and its utilization in Indian geo- mining condition. Based on success of the demonstration project, steps have been taken for identification of prospective areas for development of CMM projects and coalfields characterized by occurrence of multi-seams of high rank coals which were considered potential areas for CMM development.

(e): Government has approved the gas price formula based on the Rangarajan Committee recommendations, which will be applicable from 1st April 2014 for a period of 5 years. These gas prices will be applicable to all natural gas including CBM.

(f): A total of 33 Coal-Bed Methane (CBM) Blocks have been awarded under 4 rounds of CBM Bidding, out of which 3 blocks have been relinquished. 9.9 Trillion Cubic Feet (TCF) of CBM gas in-place has been established in 8 Blocks so far. In one Block namely, Raniganj South in West Bengal, commercial gas production started in 2007 and the current gas production is of the order of 0.25MMSCMD.

A CIL R&D funded project was taken up by CMPDI for identification of prospective CMM blocks and to address several issues like resource assessment of CBM in de-stressed conditions, techno-economic evaluation of the identified areas, contractual and fiscal issues etc. so as to facilitate commercial development of CMM. Through this project 5 prospective CMM blocks were identified in CIL areas (3 in BCCL and 2 in CCL) having 29.8 Billion Cubic Meter of CMM resource, for taking up commercial CMM production.

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